

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 16720
[Redacted],)	
)	DECISION
Petitioner.)	
_____)	

On May 30, 2002, the Income Tax Audit Bureau of the Idaho State Tax Commission (Bureau) issued a Notice of Deficiency Determination to [Redacted], (taxpayer). The Notice proposed additional income taxes, penalties, and related interest in the total amount of \$43,349 for the period January 1, 1995 through December 31, 1995. The taxpayer timely filed an appeal and petition for redetermination on August 1, 2002. The taxpayer did not request a hearing but instead provided the Commission a document entitled “Declaration of Non-Juristic Status; Formal and Constructive Notice; and Demand for Impaneling of a Proper Grand Jury for Presentment for Indictment”. The Commission has reviewed the file and is advised of its contents and hereby issues its decision.

The Income Tax Audit Bureau learned that the taxpayer, a resident of [Redacted], sold property located in Idaho during the 1995 tax year. The taxpayer had not filed a 1995 Idaho income tax return. The Bureau first contacted the taxpayer on July 7, 2000, requesting information about the sale of the Idaho property. The taxpayer did not respond to this request. The Bureau sent a follow up letter on October 18, 2000, requesting information about the sale of the Idaho property in 1995. The taxpayer responded to this request and sent the Bureau a letter which was received on November 17, 2000. Attached to his letter was a copy of a document entitled “Notice of Affidavit Statement in Rebuttal to Internal Revenue Code Section 6011 for Year Period Ending December 31, 1995”. In this document, the taxpayer contended private

citizens have no legal obligation to file federal income tax returns. The document was rife with arguments commonly advanced by persons in the tax protestor movement. It provided the Bureau with no information regarding the sale of the Idaho property.

In response, the Bureau issued a Notice of Deficiency relying on the information in its possession, asserting the taxpayer is responsible for taxes from the sale of the real property. On August 1, 2002, the Commission received a letter from the taxpayer. The Commission treated this letter as a protest and request for a redetermination, though arguably it is not. The letter made no specific reference about the Notice of Deficiency, but instead asserted a claim for damages against the [Redacted] and an assertion that the action taken against the taxpayer by any government agents will result in criminal charges being brought. The taxpayer set forth his allegations:

Thank you for letter informing me of your intention. I have unearthed irrefutable evidence that criminal fraud, conspiracy to defraud and mail fraud has been perpetrated against me regarding this matter. I am currently preparing documentation to serve upon the Commissioner of the Internal Revenue, President Bush, Chief Justice Rehnquist of the Supreme Court of the United States, the Governor of the State of Idaho and the Supreme Court Justice of the State of Idaho, charging agents of the Internal Revenue Service and [the State Tax Commission] with the crimes supra. I will respond back to you within Forty-five (45) days with irrefutable evidence of criminal activity by agents of the [REDACTED] and [State Tax Commission].

...

As you well know, the [REDACTED], its principal the Federal Reserve, and the principal's army, the BAR (British Accreditation Regency) Association have conspired to overthrow the American government of We the People. Below is evidence of criminal conspiracy whereby the President of the United States, Judges, Prosecutors, private practice Attorneys and other government agents, brokers and intermediaries receive rewards for their fraud and deception upon the American People. Thus, I have unearthed the vested interest the BAR Association and its puppet government has to prosecute and support the status quo anent income taxation.

Thus, evidence of treason, deception, criminality, fraud, and collusion have been unearthed.

This letter made no mention of the property sold in Idaho. However, it was treated as a timely protest. The Commission then sent the taxpayer a letter on September 10, 1992, providing him with several options to proceed. The taxpayer did not directly respond to this request. Instead he sent the document described in the opening paragraph which is dated October 16, 2002 directed to numerous parties including the Idaho State Tax Commission. In this letter, the taxpayer states he is not a citizen of the United States and alleges various government agents are violating his constitutional rights. However, he never does address the issue raised by the audit; namely, the taxability of the sale of real property in Idaho. Because he never addresses this issue, the Commission will affirm the audit deficiency. The burden is upon the taxpayer to overcome the Notice of Deficiency Determination. *Appeal of Railbox*, 116 Idaho 909, 782 P.2d 332 (1989). Thus, the relevant facts are the taxpayer sold property in Idaho and recognized a gain. However, the taxpayer did not file a tax return. The audit staff obtained information from the [Redacted] and other sources and calculated a deficiency amount. The taxpayer, for whatever reason, refuses to provide any contrary information.

WHEREFORE, the Notice of Deficiency Determination dated May 30, 2002, is hereby APPROVED, AFFIRMED, and MADE FINAL .

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following tax, penalty, and interest for the periods January 1, 1995 through December 31, 1995:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$24,817	\$6,204	\$12,937	\$43,958

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayer's right to appeal this decision is included with this decision.

DATED this ____ day of _____, 2002.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this ____ day of _____, 2002, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted] Receipt No. [Redacted]
[Redacted]